

Remarks in Little Rock, Arkansas*January 26, 2004*

The President. Thank you. Thanks for coming. Thanks for having me. Thanks for the warm welcome. I appreciate the fact that a Texan is being treated so well here in Arkansas. *[Laughter]* It's nice to be in this part of the world again. Arkansas is full of really good people, decent, caring people, and so is this hospital. I'm honored that you would have allowed me and my rather significant entourage—*[laughter]*—to come to Baptist Health Medical Center.

I'm here to talk about health issues. I'm here to talk about one of the reasons why health care costs are going up. And that's the fact that we've got too many darn lawsuits, too many frivolous and junk lawsuits that are affecting people. I'm here to make sure that we talk in a way that says to the people of Arkansas and America that we need medical liability reform to make sure that medicine is affordable and available.

But I'm here, first and foremost, to thank the people of this medical center, those here in person and those listening via cable. I want to thank you for what you do. I want to thank you for your heart. I want to thank you for caring about your fellow citizens. I appreciate very much your being on the frontline of healing, healing lives in such a compassionate way. Our health care system is the best in the world, and we need to keep it that way.

I appreciate Russ. Thank you for your introduction. Thanks for being the CEO of Baptist Health System. Thank you for joining us in—we just had what they call a roundtable. The table was square. *[Laughter]* But nevertheless, we had a great discussion, and Russ was there. He talked about this hospital, its outreach, its not only desire to serve people in the city of Little Rock but also its desire to serve people in rural Arkansas.

I want to thank Doug Weeks, the senior vice president and administrator, our host. I want to thank my friend the Governor for coming. Governor Huckabee is a—*[applause]*. Part of good health care depends on how you treat your own body. *[Laughter]* No, I'm serious. I'm absolutely serious. The best way to—one of the best ways to prevent disease is to make right choices. One of the right

choices is to watch what you eat. The Governor has clearly done that. *[Laughter]* He's setting a good example.

Another right choice is to exercise frequently. Some of us like to run—or used to like to run before we broke down. *[Laughter]* I try to exercise 6 days a week. The Governor exercises. And I hope people in Arkansas and around the country understand that the exercise is a good way to avoid disease in the first place. Making right choices is important. And Governor, I appreciate the example you've set for this great State.

I want to thank the Lieutenant Governor, Win Rockefeller, for joining us. Win, glad to see you. He exercises too. *[Laughter]* I appreciate the mayor, Mayor Dailey from Little Rock, for being here. Mr. Mayor, thank you for coming. Mayor Hays of North Little Rock is here as well. Thank you for coming, appreciate you. You've got a tough job. I like to remind the mayors, just go ahead and fill the potholes, and everything will be fine. *[Laughter]*

I know we've got leaders from the statehouse here, Senator Baker and Representative Parks and others. Thank you all for coming out and giving me a chance to share some thoughts with you.

Before I get into the issue of health, I do want to remind you that our country still faces big challenges. And we're rising to meet the challenges. The most important job of my administration is to protect the American people, is to chase down those who would do us harm and bring them to justice, is to never forget the lessons of September the 11th, is to stay on the offensive, and that's what we're doing.

We're spreading freedom, and as we do so, the world becomes more peaceful. Freedom is not America's gift to the world. Freedom is the Almighty's gift to each man and woman in the world.

I appreciate so very much the contribution of the Arkansas Guard. Over 4,000 troops are part of our effort to not only make America more secure but to make the world more free. I know that the Governor informed me that these troops are ready to go. They understand the mission. They're proud to serve our country. I'm proud to call them—I'm proud to be their Commander in Chief. And

I want their families to know how much we are grateful for their sacrifice as well. Arkansas ought to be proud of the men and women who wear the uniform, and they're going to make this Nation proud and more secure in their sacrifices.

I told everybody the other night at the State of the Union that we're going to stay on the offensive against Al Qaida, and we're making good progress. We're on an international manhunt. We're in a different kind of war. It used to be in the old days, you could measure progress based upon the number of airplanes that the enemy had or the number of ships in a flotilla. And the big battles of the past were clashes of equipment that were visible for people to see. And this is the kind of war where sometimes you see action, and sometimes you don't. Sometimes progress is being made, and it's hard to tell it, because in order to dismantle the Al Qaida terrorists network, we've got to be on a manhunt, and we've got a lot of people on the manhunt.

Just yesterday—not yesterday—just last week, we made further progress in making America more secure when a fellow named Hassan Ghul was captured in Iraq. Hassan Ghul was a—reported directly to Khalid Sheik Mohammed, who was the mastermind of the September the 11th attacks. He was a killer. He was moving money and messages around South Asia and the Middle East to other Al Qaida leaders. He was a part of this network of haters that we're dismantling. Our intelligence officers did a good job. He was captured in Iraq, where he was helping Al Qaida to put pressure on our troops. There is one less enemy we have to worry about with the capture of Hassan Ghul. Our people are doing great work.

This country's economy is getting better, and that's positive news for the people of Arkansas and the people of America. The tax relief we passed is working. See, I believe that when people have more money in their pocket, they will then spend or save or invest, and that causes the whole economy to grow, which then helps people find a job. Much of the tax relief we passed is set to expire, and it's set to expire right about the time the economy gets going. It makes no sense to have a tax increase on the American people

at this stage or any stage as far as I'm concerned. And therefore, we need to make the tax relief permanent.

In order to make this tax relief permanent, let people keep more of their own money to keep driving this economy forward. Small businesses need to keep more money. You see, most new jobs in America are created by small-business owners. If you're worried about job creation, we need to continue to stimulate the small-business sector of our economy. Congress needs to act. They need to make these tax relief packages we passed for small business permanent so people can find work here in America.

We also need to have an energy policy. The people of Arkansas understand energy. We need a policy. We need a policy that encourages conservation. We need a policy that helps modernize our electricity systems, and we need a policy that makes us less dependent on foreign sources of energy.

We need to open up markets for Arkansas' farmers and ranchers. When you're good at something, we ought to encourage the sale of those products elsewhere, outside of our markets. And we're good at things in America. We're good at growing crops, and we're good at raising cows, and we're good at being on the cutting edge of innovation. We need markets for those products. We need less regulation for businesses and small businesses.

And we've got to deal with rising health care costs. Rising health care costs are making it difficult for some entities to hire people. Rising health care costs affect all Americans. We want our families to feel more secure. Rising health care costs create insecurity in our Nation.

And so we need to continue the focus on costs. We're making some good progress, by the way, about helping people with health care. We've got what we call community health centers in America. I'm committed to the expansion and the building of new community health centers. These are places where people who don't have insurance or live in areas without enough doctors can find health care. Community health centers make sense. It takes the pressure off the emergency rooms of hospitals such as this. We've opened or expanded 600 community health

centers since 2001. The budget I proposed calls for another 218 to be opened or expanded. This is a good way to make sure that health care is available for those who don't have insurance yet. And so I call upon Congress to look at that part of my budget and continue working with the administration to expand these vital centers around Arkansas and around America.

And then we worked on Medicare. You might remember what it was like before this year when people talked about Medicare. The political issue was really called "Mediscare." [Laughter] If somebody would talk about it, somebody else would say, "Wait a minute. They're going to try to take away Medicare from the seniors." But I felt strongly that Medicare needed to be modernized. I felt like we needed to deal with the issue now and not pass it on like other Congresses and administrations had done. It's time to address the issue before it became so acute that the system didn't work. And it was time to fulfill a promise to our seniors, and so we acted. I was proud to sign that bill, and as I told the Congress, "If you try to change it and it hurts our seniors, I'll veto the bill."

It's going to take a while to implement the Medicare bill. It's a complex piece of legislation. After all, it's the first modernization since Lyndon Johnson signed Medicare in the mid-sixties.

This year, seniors are going to get a drug discount card, which will save them 10 to 25 percent off the retail price of most prescription drugs. And the lowest income seniors will get a \$600 credit. That will help seniors with drug costs.

Secondly, next year we'll begin preventive screenings against diabetes and heart disease for seniors just entering Medicare, plus they'll get a wellness exam. That's important. It's the first time that Medicare has actually been into the business of preventive screenings. Any good doc will tell you, you need to figure out what the issue is in order to deal with people. And a preventive screening will help the medical profession better treat our seniors.

Finally, in year 2006, seniors will receive the prescription drug coverage they've been promised. For about \$35 a month, most sen-

iors will see their drug bills cut in half. That's a good deal for America's seniors.

And finally, in the bill is an interesting innovation, one that isn't the first time it's been tried, but it's now been expanded—they're called health savings accounts, which will allow Americans to save for future medical expenses, tax-free. And that's an important innovation, an important reform.

Another way to help, by the way—or a way to help deal with rising costs is to understand the impact rising costs have on small businesses. A lot of big businesses are able to absorb the costs because they've got the capacity to negotiate better. When you've got a large universe of people that you're trying to cover, you can have more strength in negotiations. It gives you a better hand.

The problem we have with small businesses is they don't have the capacity to pool together, to negotiate on behalf of a lot of people. And that's why I'm a strong supporter of what's called association health plans that will allow small businesses to pool risk and have a better negotiation policy with those who offer insurance. Congress needs to pass this piece of legislation. It is good for the entrepreneurs of Arkansas.

Lower income Americans should be helped with health care by refundable tax credits. It's been a part of my budget. It's an important reform. It will help with the issue of the uninsured. People with health savings accounts, when they buy high deductible insurance policies to protect them against catastrophic medical costs or hospitalization or major surgery, should be allowed to deduct those premiums. See, that will help with the rising costs of health care as well. Those are some practical suggestions for Congress to look at, ways to strengthen the private delivery of medicine as opposed to strengthening the Government involvement in medicine.

There's something else we can do at the Federal level, and that is to promote promising health information technology. The truth of the matter is, medicine is on the leading edge of change. And some of the new drugs are fantastic about—to help save lives. Some of the new machinery is fantastic. The information systems of the health care system are a little antiquated. I mean, you're still

moving files by hand, aren't you? Kind of writing it out by hand. Well, what we need to do is to have standards and computerized records so that we can improve care and prevent errors, which will save money in the system. There's tremendous savings to be had by bringing technology into the medical field, and the Federal Government can help there as well.

These are good steps. Yet one of the main cost-drivers, that has nothing to do with what happens in an operating room or a waiting room, happen in the courtroom. One of the reasons people are finding their premiums are up and it's hard to find a doc these days is because frivolous and junk lawsuits are threatening medicine across the country. And there's a lot of them, people just filing these suits. I call them junk suits because they don't have any merit. The problem is they cost money to fight.

Every one of these junk suits that people put out there requires the expenditure of money, which affects consumers. That's you. It affects hospitals. That's you as well. In order to avoid protracted litigation, those who provide insurance oftentimes just settle the case. You've got these giant judgments looming out there, people say, "Well, I better just go ahead and settle this, rather than risk a bad jury verdict." That drives up costs too. People just filing these lawsuits right and left, and it's running up the costs. Doctors' premiums, the cost of doing business, they're rising. That makes it hard on the docs. It makes it hard on docs to do what they're called to do, which is to heal lives.

Medical liability premiums for Arkansas doctors rose more than 150 percent last year. That makes it awfully hard for doctors to do business. And what is their business? Their business is seeing patients. Their business is helping to make somebody's life better. Yet these lawsuits are making it hard for docs to practice their business in the State of Arkansas and other States as well.

You see, the costs get passed on. They get passed on to patients or their employers. One of the major cost-drivers in the delivery of health care are these junk and frivolous lawsuits. The risk of frivolous litigation drives doctors—and hear me out on this—they drive doctors to prescribe drugs and proce-

dures that may not be necessary, just to avoid lawsuits. That's called the defensive practice of medicine. According to a survey of the Arkansas Medical Society, 90 percent of Arkansas doctors say the fear of lawsuits have caused them to do unnecessary procedures.

See, lawsuits not only drive up premiums, which drives up the cost to the patient or the employer of the patient, but lawsuits cause docs to practice medicine in an expensive way in order to protect themselves in the courthouse.

The defensive practice of medicine affects the Federal budget. The direct cost of liability insurance and the indirect cost from unnecessary medical procedures raise the Federal Government's health care costs by at least \$28 billion a year. Remember, we provide—at the Federal level, we provide health care through Medicare and Medicaid and veteran's health and Government employee costs. The defensive—the cost of defensive medicine raises your bill as a taxpayer. Not only does it make it harder to go see a doc, it also costs you more as a taxpayer. Medical liability reform is a national issue because medical liability lawsuits raise the Federal budget. It's a national issue that requires a national solution.

You need to get your Governor—I know he's strongly, and the Lieutenant Governor is strongly in favor of liability reform—you need to work it here in Arkansas, by the way. Just don't rely upon the Federal Government, but get you good medical liability. It's tough, because some of these lawyer groups are some of the politically strongest groups in the State and the country. I understand how tough it is. But we're doing the right thing by insisting upon medical liability reform. We're doing the right thing by telling people the truth, and that is the health care system looks like a giant lottery. That's what it looks like these days because of these lawsuits. And somehow, the trial lawyers always hold the winning ticket. Lawyers walk away with up to 40 percent—40 percent—of every settlement and verdict, which adds up to billions of costs, billions of unnecessary costs.

Lawsuits don't heal patients. That's a fact. And they're driving a wedge between the docs and their patients. One of the most vital links of good medicine is the doctor-patient

relationship. Yet many doctors fear what they tell a patient will be used against them in a court of law. We've got a culture of lawsuit here in America, a culture of lawsuits, a litigation culture, which is driving a wedge between the doctors and patients, and that's not right. When docs treat their patients, the only thing they should worry about is the health of their patients, not some trial lawyer breathing down their neck.

Seventy-one percent of the doctors in Arkansas say they are considering early retirement. Let me tell you what's happening here in Arkansas, and it's happening in other States too. You're not alone. These frivolous and junk lawsuits are not only driving up the costs, but a lot of docs are thinking about quitting the practice of medicine. Remember, I talked about to make sure medicine is affordable and available. Lawsuits drive up the affordability. Lawsuits are driving docs out of the practice, which means there's less availability. You've got to have doctors in your communities. In order to be a vibrant, successful community, you need a viable health care industry with good docs. And yet, 71 percent of the doctors in this State say they're considering early retirement; 50 percent of the physicians say they're having difficulty recruiting new doctors to practice in Arkansas.

This litigation culture puts a sign up there saying, "If you come to our State, you're likely to get sued." Who wants to do that? People want to practice medicine. They don't want to spend their time defending themselves in the courthouse because of the frivolous and junk lawsuits that are too prevalent today in America. More than a third of the docs are considering moving out of State. See, that says to me you got a problem here in Arkansas. And by the way, again I repeat, you're not alone. Trust me, you're not alone. There's a lot of States that can't get good medical liability reform through.

Today I met with some decent docs and health administrators. Let me tell you their stories so that we get a better feel for why we need medical liability reform at the State and Federal level.

Sara McBee is here. There's Sara. She's from Fayetteville, Arkansas. She practices family medicine. She was delivering between

80 and 100 babies a year. Now, there's a soul—a good soul who loves life to the point where she's willing to take her talents and deliver babies. It must be an unbelievably satisfying profession to bring life to be.

And yet, in July of 2002, her insurance premiums more than doubled. See, the litigation culture made it nearly impossible for her to practice her love. I say nearly impossible, because she wouldn't break her commitments to expecting patients and hung in there for a year. But her premiums continued to rise, and Dr. McBee has stopped delivering babies, as a direct result of too many junk lawsuits, and that's not right. That's not right.

Let me give you another story. Dr. John Wilson is with us. Dr. Wilson is a good soul. He's an orthopedist from Little Rock, Arkansas. He's been practicing medicine for—I think he said 35 years, 30 of which he wasn't hassled by lawsuits. In other words, what we're talking about is a new phenomenon here in society—in this society. He is a—he believes that doctors are called to serve. Besides just healing people, they're called to serve people. And I bet you when you talk to most docs, that's the way they feel as well.

So he traveled every week to the Arkansas Delta. And for people who aren't familiar with Arkansas, that is a poor, rural area that, frankly, does not have enough doctors. And he heard a calling. So he would go there to help—to love, really, if you think about it—to practice his talent and skills and to love people by helping them, and then he got sued. And the lawsuits were dropped, but he was unable to find insurance because he was told if he kept going over there, the cost of his business, the cost of being a doctor, would rise dramatically. And so he quit going. He quit going.

By the way, I went to Mississippi a while ago and talked to a doc who was there in the Mississippi Delta. He came down from another State to practice medicine. He understood there's a lot of poor people there; he wanted to help them. He got sued—for helping poor people, because he's a doctor. And guess what? He left. The Wilson story and the story I just mentioned to you, it's just all too common. And people get affected. These junk lawsuits not only are running up the cost of medicine; they're making the

quality of life of some of our citizens—diminishing the quality of life.

Sully and Mary Ligon are with us. They're from Helena—or Henrietta?

Mrs. Ligon. It's Helena.

The President. Helena, yes, Helena. How quickly we forget. [*Laughter*] Anyway, see, the Ligans got help from Dr. Wilson. She was telling me she got injured during one Christmas and tore a rotator cuff, and Dr. Wilson being the good doc he is, fixed it. Her fastball is back up to about 85 miles an hour now. [*Laughter*] But Dr. Wilson no longer goes there. And Sully got knocked over by a cow. He said a wild cow, not a mad cow. [*Laughter*] He got hurt, see. And Dr. Wilson was their doc because he used to go there. He no longer goes there. So guess what? The Ligans now have to drive here. And as they were quick to point out, they can afford to do so, which is good. It's inconvenient as heck, but they can afford to do so. There's a lot of people there that can't, and they're missing out on a good doc. And the reason Dr. Wilson is not there is because lawsuits are running up the cost of medicine, make it hard for him to practice. His heart's right. Trust me. I heard him. But he just can't go there.

There's just too many junk and frivolous lawsuits. We need to do something about it for the sake of a lot of people. I met with Frank Wise. He's from Fulton County Hospital. It's a rural hospital. These junk lawsuits have raised the cost of delivering babies such that they no longer do so in his hospital. And he tells the story about people desperately looking for a place to—for a bed, and babies being delivered on a bridge.

Listen, I'm going to tell you something. We can have balance in our society when it comes to having a good legal system and a good medical system. It's not that way today. The pendulum has swung way, way too far.

D'Borai Lynn Cook—you might have heard of her if you work here. She's the emergency room case manager. She sees firsthand what it means to practice medicine defensively. She says they over-prescribe to cover themselves to make sure that, as they do their job, they're thinking about what would happen if they end up in a court of

law. She says that—she said then there's the negative aspect of defensive medicine with people saying, "I'm not going to handle that case."

See, too many lawsuits affect the lives of a lot of good people, and we need to do something about it. And so I proposed to the Congress to act. My job as the President, if I see problems, is to address them square on, and I expect Congress to do the same thing. I expect Congress to do the same.

First of all, we want to make sure the court system is uncluttered. We want to make sure that if a person is injured, they have their day in court. Frivolous and junk lawsuits make it hard for those who get injured to have their day in court, for starters. And secondly, obviously, if they've been hurt by a bad doc, there needs to be a judgment, and that person needs to be able to recover the cost of their care, the recovery, and the economic losses for the rest of their life. Every good doc wants to make sure that the legal system works fairly. Good docs aren't afraid to stand up in a court of law. They just don't want to be run out of business because of these junk lawsuits, just filing suit after suit after suit.

People ought to be allowed to recover economic damages. But for the sake of a strong health care system, for the sake of making sure health care is accessible and affordable, we need a \$250,000 cap on non-economic damages.

States that have got a hard cap have seen positive results, have seen the judicial system work well and the medical field stay vibrant. And if harm is caused by truly egregious behavior, patients should be able to recover reasonable punitive damages.

What I propose is fair, see. I've laid out something that's balanced and fair, something that addresses a critical national need, and that is the cost of medicine. The problem is, is that some in the United States Senate don't see it that way. That bill I put up there passed the House of Representatives, and it's stuck in the Senate. And your Senators need to hear from you about a balanced, fair system. For the sake of Arkansas and States around the country, you need medical liability reform.

We need to make sure we've got joint and several liability reform as well. See, what happens is some of these junk lawsuits, they'll just file against everybody. Even though they may not be like 100-percent responsible for an issue, they'll have to pay 100 percent of the cost. That's not fair. That hurts hospitals in particular and a lot of docs as well. There needs to be good reform. There just needs to be good, sound national reform that's fair and balanced and full of common sense.

The House passed a bill. It's stuck in the Senate. These Senators have got to understand no one has ever been healed by a frivolous lawsuit. And I'm going to stay on the issue until we get it fixed. This is a national problem.

Let me talk about one other issue, and then I'll let you get back to work. Today I met Mary Lynn Roberson at the airport. Mary Lynn has volunteered—she's right there. I told her I was going to say her name. Thank you, Mary Lynn. She has volunteered here for nearly three decades. She visits with family and friends of surgery patients. In other words, she's spreading love, is what she's doing. And the reason I bring that up, and her work, is because the true strength of America is the fact that there are Mary Lynns in every community who are willing to take time out of their personal life to love a neighbor just like you'd like to be loved yourself.

We're a mighty nation when it comes to our military, and we'll keep it that way. We're a mighty nation when it comes to wealth in our economy, and it's getting better. But the most mighty aspect of our Nation is the fact that our citizens, from all walks of life, care deeply about a neighbor in need.

One of the most compelling things about being the President is I get to see on a daily basis the true compassion of our fellow citizens. And I hear just unbelievably fantastic stories about people overcoming big odds, because a neighbor is helped. Somebody has just taken time out of their life to make a difference.

My call to the good people of Little Rock is to work with the Boy Scouts—and I thank you for being involved in such a values-based program—or to start a program in your house of worship to feed the hungry or find shelter

for the homeless. If you are interested in helping make a difference, mentor a child, teach a child how to read. What a fantastic gift that is to teach a child to read. After all, I like to say reading is the new civil right. And you can help.

The strength of this country is the fact that we're a compassionate country. And there are thousands of people who are soldiers in the army of compassion, working hard to change lives, just like you're doing here at this hospital.

I'm so grateful that you gave me a chance to come by and talk about issues of national concern. I'm particularly grateful for the love you show for people who hurt here in society. This country is a great country because it is full of great people.

I'm honored to be here. May God bless your work, and may God continue to bless America. Thank you.

NOTE: The President spoke at 11:14 a.m. at the Baptist Health Medical Center. In his remarks, he referred to Russell D. Harrington, Jr., president and chief executive officer, Baptist Health System; Doug Weeks, senior vice president and administrator, Baptist Health Medical Center; Gov. Mike Huckabee and Lt. Gov. Win Rockefeller of Arkansas; Mayor Jim Dailey of Little Rock, AR; Mayor Patrick Hays of North Little Rock, AR; State Senator Gilbert Baker and State Representative Marvin Parks of Arkansas; and Khalid Sheik Mohammed, senior Al Qaida leader responsible for planning the September 11 attack, who was captured in Pakistan on March 1, 2003.

Remarks Prior to Discussions With President Aleksander Kwasniewski of Poland and an Exchange With Reporters

January 27, 2004

President Bush. I want to welcome my good friend and a good friend of our country to the White House. I appreciate so very much you coming by, Mr. President.

I've gotten to know this man well over the years. He is a leader. He understands that people need to lead their country towards peace and freedom and prosperity, and President Kwasniewski is doing just that. He's making a mark on the continent of Europe through his leadership. He stands strong.